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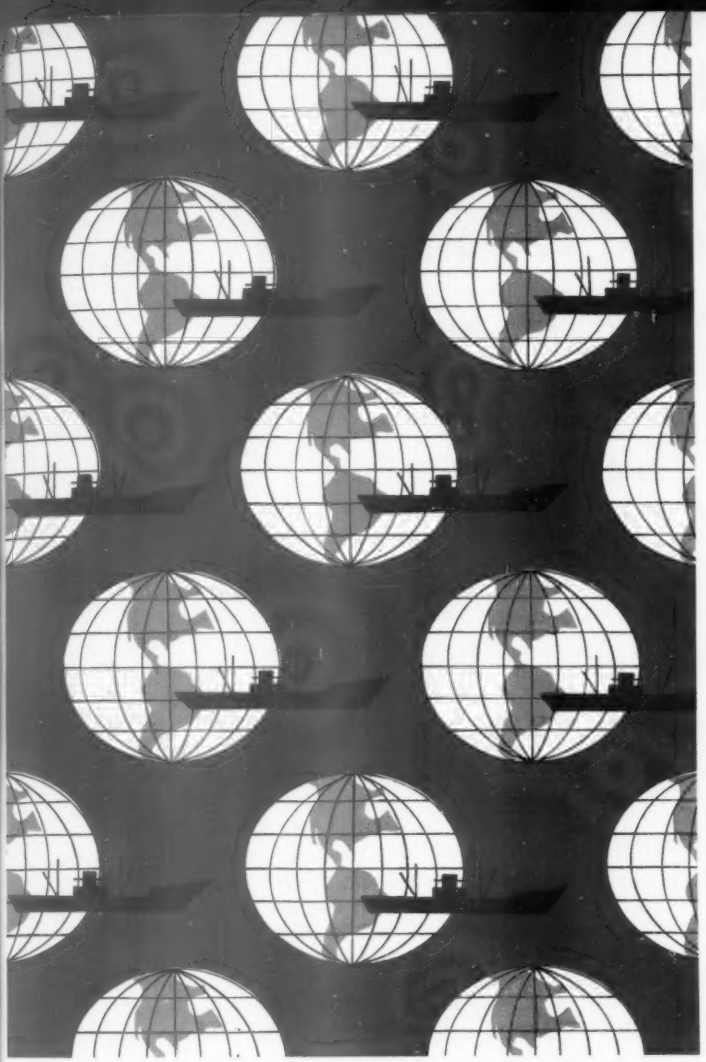

35 YEARS
OF EXPORT EXPANSION

THE BEEF SITUATION
IN WEST GERMANY

FRENCH AGRICULTURE
TOLD IT MUST EXPORT

JUN 1965
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FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

A WEEKLY MAGAZINE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

JUNE 7, 1965

VOL III • NUMBER 23

Our cover this week, symbolizing foreign trade in agricultural products, honors the 35th year of USDA's Foreign Agricultural Service. (See opposite page.)

Contents

3 35 Years of Export Expansion Under the Foreign Agricultural Service

4 The Beef Situation in West Germany

6 French Agriculture Told It Must Export Its Products

7 Higher Yields Called Key to Food Needs in Underdeveloped Nations

8 Market Development

- Vitamin-fortified U.S. Nonfat Dry Milk Bought for Distribution in Overseas Donation Program
- U.S. Dark Northern Spring Wheat Arrives in Japan for Tests
- First U.S. Feeding Trial Ends in Switzerland as Swiss Agree To Analyze U.S. Spring Wheats
- Cereal Technicians From U.S. Go to Japan for Durum Test
- U.S. Foods at Luxembourg

10 World Crops and Markets (Commodity index on page 16)

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35 YEARS of EXPORT EXPANSION

under the Foreign Agricultural Service

This week the Foreign Agricultural Service observes its 35th anniversary.

It was on June 5, 1930, that the Congress authorized the U.S. Department of Agriculture to expand its foreign marketing assistance and the Foreign Agricultural Service came into being.

During these 35 years—with the Foreign Agricultural Service and associated elements of USDA providing background support—American agriculture has vastly expanded its shipments of farm products to foreign consumers.

U.S. agricultural exports were a $1-billion annual business in 1930. Now they are a $6-billion business.

In terms of volume rather than value, which eliminates inflationary factors, our commercial farm exports have doubled. The total volume of farm exports—which includes the substantial movement under the government's Food for Peace program—has tripled.

Exports have come to have considerably more meaning to American farmers than ever before. The United States has only half as many farmers as it had in 1930. Also, fewer acres are in production. Yet, science and technology have so greatly boosted unit production that American farmers not only are feeding and clothing our own expanded population but also have large supplies left over to share with people of other countries. One acre of every 4 of American cropland is producing for export. Every American farmer is involved, directly or indirectly, in this greatly accelerated export operation.

Forces shaping the future

Dramatic as the export accomplishments of the past have been, the future has even greater challenges. Two strong forces are at work:

First, there is the rapid rise in world population. During the 1960-70 decade, the number of people is moving from 3 billion to 3.6 billion, an increase equal to three times the entire population of the United States. Much of this growth is taking place in countries least able to expand their own food production. More supplies will be needed from areas of abundance, such as the United States.

Second, in most countries there is a steady growth in consumer buying power. The growth rate in per capita income varies from 1.6 percent a year in North Africa to 3.2 percent in Northern Europe to 6.4 percent in Japan. Profitable opportunities are being opened for the United States to substantially expand its commercial sales of farm products.

Unquestionably, these "aid and trade" forces can open more doors to American farm products than have ever been open before. Depending on how we respond, there can be reasonable expectation of our agricultural exports climbing from their present $6-billion plateau to a new high of $7-$8 billion by 1970. Our success in reaching this target has obvious highly favorable implications for our country's farm and city income and for our Nation's balance-of-payments position.

An extra push needed

Realistically, it may be as hard to move from $6 billion of exports to $8 billion as it was to move from $1 billion to $6 billion. Like climbing a mountain, the higher we go the harder it gets.

We will need to maintain a hard-hitting program seeking to lower world trade barriers and keeping avenues of foreign trade open.

We will need to vigorously promote sales of our products in foreign markets.

We will need to meet increased competition from other world suppliers. We will need to be competitive in price, quality, and export services.

We will need to build on our 10 years of experience in conducting a Food for Peace program, so that it can contribute even further to our own export requirements and to the needs of foreign participants.

These 35 years of experience have shown conclusively that no segment of our Nation, on its own, can conduct a $6 billion—or $8 billion— agricultural export operation. A combination of the special talents of agriculture, business, and government is required to make such export aspirations a reality.

The Foreign Agricultural Service is proud indeed to be a part of this modern-day combining of talents which enables fewer farmers, on less land, to help feed and clothe more and more of the world's people, earn more revenue for themselves and the Nation, and contribute increasingly to international well-being and growth.

The mission of the Foreign Agricultural Service today, as it has been since 1930, is to help our farmers move forward with this job.

The BEEF Situation in WEST GERMANY

The German consumer's growing liking for beef has brought a sharp rise in domestic beef production and has helped to keep import demand strong.

By ALEXANDER BERNITZ
Assistant U.S. Agricultural Attaché, Bonn

Growing consumer demand in West Germany for beef has given rise to a shift within that country's livestock industry away from raising cattle for milk alone to breeding cattle that show a high degree of correlation between milk and beef yields.

Through these attempts, the German farmers have brought beef from a much-subordinated byproduct of milk to a commodity almost as valuable as milk. Today, total beef production is almost 50 percent greater than that 10 years ago. And cash receipts from cattle and calves sold for beef in 1963-64 totaled about $1.1 billion—close to a fifth of all agricultural receipts and not too far off from the $1.7 billion earned for milk.

Changes that have occurred

Those farmers who in the past were often content to produce much of their beef requirements from culled milk cows are now attempting to produce animals that have a large amount of lean meat in the back and round portions of the carcass. Many of them are also undertaking to assure high yields of beef as well as milk by correlating such variables as the dam's milk yield and the gain in weight of her sons to determine breeding practices.

At the same time, German farmers generally go on feeding their cattle much the same as in past years. The diets of these animals have been traditionally—and still are—heavy in grass and hay and light in grain and protein supplement, the latter used virtually only in production of dairy cattle. Breakdown of the feed is something like this: 61 percent grass, hay, and other forms of roughage; 12 percent oilcakes and meal; 9 percent milk; 7 percent grain; 7 percent beets and beet tops; and 4 percent straw.

In fattening young bulls for market, the West Germans generally use a feeding program of 12-13 months to a weight of about 900-1,000 pounds, or one of about 18 months to a weight of 1,100-1,200 pounds.

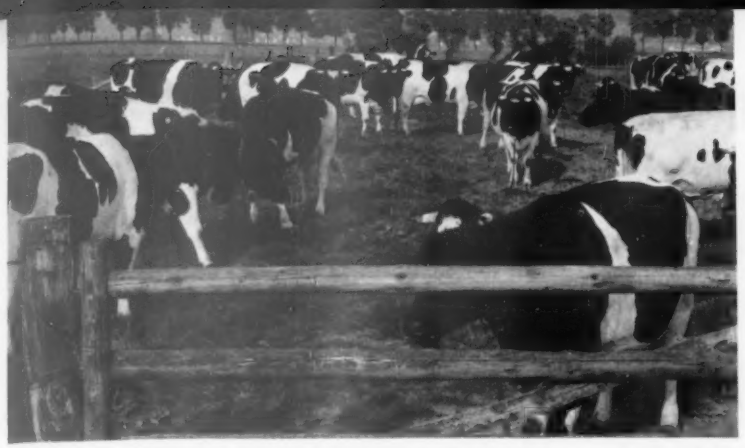
Aberdeen Angus and Charolais cattle have been crossed with German dual-purpose cattle to obtain an animal that has a high yield of German-style beef. These attempts, while commercially successful in several localities, have not significantly altered the traditional source of German beef—the dual-purpose animal.

Types of cattle

Chief among these dual-purpose animals are the Black-and-White cattle, the Fleckvieh, and the Red-and-White. The Black-and-White cattle, accounting for about 55 percent of the registered animals, are found mostly in the northern and western part of the country; they are bred for their longevity and their high production of milk over many lactations. The Fleckvieh, accounting for about 20 percent of the registered herds and located mainly in the south and southwestern regions, are noted for their adaptability to a wide range of climatic conditions, from continental to Alpine. The calves are especially hardy, develop quickly, and thus are well suited for fattening. The young bulls and heifers also are easy to fatten and produce good German-type beef. Red-and-White cattle account for about 16 percent of the registered herds and are raised in a variety of areas. They are well-balanced dual-purpose cattle, with milk and beef being of equal importance.

Another, though diminishing, category of German

Production line in Berlin meat plant.



Above, most cattle in West Germany are raised only for meat or dairy products, but some, as shown at right, are used for work too. Pictures courtesy German Agricultural Auswertungs- und Informationsdienst.

cattle is the triple-purpose breed—cattle used for milk, beef, and work. A predominant breed of this type is the German Red, which is raised mostly in the hilly region of central Germany, is well adapted to rough climate and has very modest feeding and management requirements. Other animals bred for some combination of milk, beef, and work needs are the Yellow, Vorderwalder, Pinzgauer, Hinterwalder, Murnau-Werdenfelser, and Shorthorn cattle.

The number of cattle from these and other breeds slaughtered in 1964 was 3.6 million, including about 1.4 million bulls, 1.2 million cows, 0.9 million heifers, and only 0.1 million steers. This resulted in 975,000 metric tons of beef, a decrease of 3.5 percent from the previous year but only a temporary deviation from the long-term upward trend.

Germans eating more beef

On a per capita basis, West Germany consumes annually about 47 pounds of beef and veal. The German people generally eat more pork than Americans, but in recent years there has been a noticeable shift from pork to beef. Much of this beef—40 percent—is consumed in the form of "sausages." Another 10 percent is canned, and the remaining 50 percent is consumed fresh.

As this breakdown would indicate, the German's use of beef varies greatly from that of the typical American. Much of the sausage shows up in the usual evening meal —"aufschnitt," a plate of cold cuts (including sausages and cheese) served with potatoes in one form or another, dark bread, and butter. Some "aufschnitt" are made solely of pork, others of beef, and still others are a combination of various meats and spices. For the main meal at midday the German homemaker often serves well-cooked and unmarbled beef in the form of pot roast, goulash, or stew. To most such homemakers, the broiled steaks, charcoal or oven grilled, are virtually unknown.

Restaurants serve steaks, usually rumpsteaks, but these are normally not the gourmet meals on the menu. Some American-style steak houses are beginning to appear in Germany, but the majority of people in that country still prefer to purchase (at their butchershop) very lean, completely unmarbled beef.

Even if a German wanted some American-style steak, he would probably have a difficult time finding it in a butchershop, as beef is cut up differently in West Germany than in the United States. There, a smaller portion of the beef carcass is left for steaks, and most of these are rib steaks.

Import demand still strong

Attesting to the rapid gain in German demand for beef is the country's inability to increase its degree of self-sufficiency in beef above the 1954 level of 85 percent, despite the sharp rise in domestic production. This situation has kept West Germany in the market for beef.

Its imports annually total about 220,000 short tons of beef, over half of which is in the form of live animals, mainly from Denmark. The remainder moves as meat from France, Argentina, Denmark, Holland, and Ireland. These imports are subject to strict health and sanitary regulations, such as the requirement that carcasses of cattle and calves be shipped whole, accompanied by the heads and certain glands. No cuts of beef or veal are permitted to be imported.

Thus far, these restrictions have kept U.S. beef (except variety meats) out of the West German market. However, the U.S. livestock industry undertook several projects in 1964 and early 1965 that could eventually pay off in limited market access.

One project was the promotion, for the first time, of U.S. steaks, roast beef, and hamburgers at trade fairs in West Berlin and Hamburg. Over half a million people attended these fairs.

In addition, the U.S. Department of Agriculture, through its Attaché Office in Bonn, is discussing with the German authorities methods of overcoming the trade bottleneck on imports of cuts of beef.

Future outlook for trade

It can be expected that West Germany will continue to be a major importer of beef and veal, at least in the immediate future, since the demand for beef is expected to rise as fast as, and possibly faster than, domestic supplies. Before the United States can capitalize on this demand, however, it will have to overcome the two formidable barriers: West Germany's restrictions on imports and the consumer's unfamiliarity with American-style beef.

French Agriculture Told It Must Export Its Products

Agricultural Minister Pisani claims that for France to limit itself to importing would be a "crime" against nature and against the French people.

The following is a summary of the speech given recently by French Agricultural Minister Edgar Pisani at the Ecole Supérieure d'Agriculture, in Angers.

The first question we must ask is whether or not French agriculture can avoid being an exporter. The answer is, no. French agriculture must export. It has no other choice and besides, it is already doing so. The problem is to know how France can be a successful exporter.

Why is it French agriculture cannot give up the effort to export?

First of all, because we cannot know what constitutes a balanced agricultural output. Taking into account continual fluctuations in production, we cannot calculate production in such a way that it will constantly equal needs. Under such conditions, we must choose between being an importer or an exporter. By seeking a balance between domestic supply and demand we would have the worst of both positions, since we would be at a disadvantage as an importer one year, and as an exporter the next.

This is true because international trade is not a chance meeting, but rather a complex of relations, organization, and long-term engagements. One can be a good importer when one is a regular importer, and a good exporter when a regular exporter. In every instance it is a bad thing to be now an importer, now an exporter.

No right to import only

Does France have the option of taking on resolutely the status of an importer?

It would be a "crime" against nature, against our people, and against the overall economy of France. First of all, it would constitute a crime against nature because nature has endowed France with the possibility of producing more than it can consume. And if France does not produce more than it does, it is because socio-economic or psycho-sociological processes have produced attitudes which are not in harmony with its capacities.

It would also be a crime against its people because in asking those who cultivate the soil to limit their production so as to confer on France the role of systematic importer would be to deprive them of their capacity to produce and, thus, of resources they absolutely require.

It is also obvious that such a decision would be a crime against the economy of France because balance-of-payments equilibrium for a country like France is a fundamental factor in its prosperity and progress. There is no sector in the nation's economy which can afford the luxury of not contributing in a positive way to the Nation's balance of payments.

At the present time, however, the balance of payments on the agricultural side is running a sizable deficit since we are importing more agricultural products than we are exporting. It is certainly conceded that among our imported agricultural commodities there are tropical and exotic products, such as tea, cocoa, bananas, and oranges. There is no reason, however, that in exchange for these imported products we should not export more of the commodities we can produce more of. There is the problem. France and French agriculture does not have the option, does not have the right to be an importer. It has the duty, rather, of being an exporter.

Exporting imposes obligations

This implies a rather fundamental modification of some reflexes, structures, and habits. To export is to undertake an obligation, an obligation as to quality, as to quantity, and as to price. The progress which remains to be accomplished in this regard is stupendous because a Frenchman, whether grower or dealer, is more gifted at sporadic flashes of achievement than at going about a job systematically and sticking to it. It is discouraging to the government which, for example, devoted considerable effort to the development of a foreign market for table grapes, only to find that the producers did not deliver when the time came because the domestic market was good.

Is it reasonable that we should continue to expend effort and extend governmental credits to gain a foothold for our agriculture and its products in foreign markets, if the farmers for whom we undertake this effort do not pledge themselves to serve first this market which, quantity-wise, quality-wise, and price-wise, they are capable of serving?

We could ask ourselves whether it was more important to plant the French flag on barren territories or to create trading posts for the marketing of our output. We thought that power is expressed in square kilometers, but, in fact, it is measured in trading ability. A national inability to export is not solely a commercial problem, but, rather, a basic problem of civilization and of political direction.

Need to be more outward-looking

We Frenchmen have not understood the virtue of "business presence." We need only compare ourselves with Holland, Denmark, Germany, or Italy to realize that they, because of an overabundant population and national talent, have been systematically outward-looking, while we seem, on the contrary, to be systematically inclined to the contemplation and satisfaction of ourselves.

That we should consecrate ourselves henceforth to problems of foreign trade is not only symbolic of economic evolution but also of a revolution in our civilization. The growth of our population has irreversibly put our country on the path of economic expansion. Foreign trade is now a biological as well as a commercial necessity. The population explosion forces us to sell abroad what our people are capable of producing.

Foreign trade, however, still hasn't been given its proper place in the government's overall concern. Exports have not been accorded the importance they deserve. It is, thus, essential that the problem of the "conquest of foreign markets" be underscored, not only for the farmer but also for the whole economy, as one of the fundamental problems of our economy.

The act of selling beyond our political frontiers will

not have the same significance, depending on whether it be to the Common Market or to the rest of the world. While in some respects selling tomorrow to Holland, Germany, Belgium, Luxembourg, or Italy will continue to be an act of exportation, basically it will constitute domestic trade. Without any doubt the Common Market offers us in a certain number of areas a very big opportunity. It also carries a big risk, namely competition from our partners in our own market. Tomorrow we cannot consider it superfluous to export since, thanks to the free flow of goods, Dutch, German, Belgian, or Luxembourgian products will arrive on our market. If we do not penetrate their markets we will have lost the battle.

Farmers must change their philosophy

Minister Pisani, after stating that France has no choice but to export or wither away, devoted the last half of his talk to the way France must approach its export task.

France, he said, has too long neglected the education and training of its farmers. Their very philosophy must be changed from one of total reliance on the notion of production to one of sales. French agriculture cannot measure up to the expansion it must undertake unless it is technically, intellectually, and financially on a par with industry or government. If France is to export, it must know its export markets. A disorderly assault in an effort to sell all its products will not succeed, for example, on the American market. France must choose one or two very narrow lines and begin to enter the market through careful and painstaking efforts.

The Minister added, "It is clear that new markets can be conquered through collective institutions in which the State participates . . . There can be no question of reserving for private business or industry alone the possibility of developing markets and selling abroad. Nor can it be a question of reserving foreign markets for the cooperatives. Both must be able to enter these markets. I would even say that they must be able, for a time, to forget their domestic competition, because once the frontier is crossed it is French production which is at issue and not this brand or that product."

Protests dumping

Returning to the theme of a rational export effort, Pisani noted, "One cannot stress too much the harm done by those who considered the export market as simply the market where surpluses are sold, who dump beyond our frontiers this product and that product at almost any price. It has sometimes taken us years to repair the damage done by one unfortunate transaction."

Pisani distinguished two marketing systems. In the one the farmer handles the processing and final marketing of his product; in the other the producer deals with a middleman who handles the marketing of the product. In the Minister's view, only when the farmer can market his own will he be able to obtain a fair deal from the middleman.

The following words of counsel concluded the Minister's address: "Distrust that attitude of the mind which leads you to think that nothing can be undertaken until the ultimate objective is within reach. Seize every opportunity to move forward that presents itself, and set out. You will attain your final objective in due time."

Higher Yields Called Key to Food Needs in Underdeveloped Nations

"Problems of staggering proportions face the densely populated underdeveloped countries of the world in their effort to keep food production in pace with population growth," Agriculture Secretary Orville L. Freeman said in commenting on the new U.S. Department of Agriculture report, *Increasing World Food Output,* by Lester R. Brown, USDA Staff Economist.

"Both land and time are running out for these countries," the Secretary said. "In the past, increases in food output were achieved by putting new land under cultivation, but now the supply of readily cultivable land is nearly exhausted in many of these countries, and new land can be brought under cultivation only at high cost. The study stresses that higher yields per acre are the principal key to future increases in food production."

Recent signs of chronic food shortages in the densely populated, less-developed countries make the need for yield takeoffs acute, according to the report. Food output per person rose steadily after World War II, but in the 1960's output per person in less-developed countries has shown a disturbing tendency to trend downward.

International food trade provides another warning that population is outstripping food production in these countries. Before World War II the less-developed regions of Asia, Africa, and Latin America exported grain to the developed world. After the war the flow reversed. Developed countries, in the early postwar years, moved 4 million tons of grain annually to the less-developed areas. Shipments rose to 13 million tons a year by the late 1950's, to 21 million by 1961, and to an estimated 25 million in 1964, according to the report.

The report points out that to meet food needs, the underdeveloped countries must achieve a yield takeoff—identified by a rapid increase in yields sustained over a period of several years. Factors facilitating a yield takeoff are:

- Literacy is important. Rapidly rising yields are not likely to occur unless new ideas and research results can move readily from scientist to farmer.
- Incomes must be high enough to permit accumulation of capital. Without capital to purchase fertilizer, improved seeds, and other inputs yields cannot be raised.
- Subsistence farmers must become market-oriented. Farmers who produce primarily for their own use cannot gain cash. Most yield-raising inputs must be purchased.
- The nonagricultural economy must be able to support farmers' efforts to raise yields. When farmers attempt to raise yields rapidly they become quite dependent on the nonagricultural sector to supply goods and services.

These four factors mentioned above are not enough in themselves to cause a yield takeoff, the report says. Farmers must have an incentive to change. Favorable prices encourage the use of yield-raising techniques. Also, the farmer must be able to retain a fair portion of the price. Land tenure patterns and tax systems determine whether the farmer benefits from favorable prices.

Single copies of "Increasing World Food Output: Problems and Prospects," FAER 25, are available by postcard request from the Office of Information, U.S. Department of Agriculture, Washington, D.C. 20250.

Vitamin-fortified U.S. Nonfat Dry Milk Bought For Distribution in Overseas Donation Program

Millions of pounds of U.S. nonfat dry milk fortified with vitamins A and D will begin moving overseas next month as a part of this country's donation program under P.L. 480.

In the first 3 weeks following announcement of the new program last month, 61.5 million pounds were purchased for this purpose by USDA's Commodity Credit Corporation. Cost of fortifying the milk with 5,000 International Units of vitamin A and 500 of vitamin D per 100 grams of dry milk is being borne by the Agency for International Development (AID).

Part of the worldwide Food for Peace program, the milk will enrich the diets of some 50 million children in the less developed countries. It will go initially to the recipient categories considered most urgently in need: schools, and maternal, child health, and preschool child feeding programs.

These will not be the first shipments of U.S. fortified nonfat overseas; for several years, UNICEF has been distributing this product under a special program. But only a few companies have been engaged in its manufacture, and the entire output has been purchased by UNICEF. The new USDA-AID program presents a foreign outlet large enough to encourage other companies to enter this field. Eventually, it is hoped, production will rise to the point where all foreign recipients can benefit from this extra nutritional boost.

Grants of unfortified nonfat dry milk under P.L. 480 are already supplying millions of people overseas with the vitally necessary calcium, protein, B vitamins, and energy-producing lactose that are the hallmarks of milk. The recipients are people who cannot obtain fresh whole milk—either because there is no way to keep it fresh, or because they cannot afford it, or because it is not produced locally. Nonfat dry milk, which—unlike either fresh or dried whole milk—can be shipped long distances and stored without refrigeration, is perhaps the world's most easily distributed source of protein and calcium. For millions of overseas recipients it has sometimes been the only one.

Last year, the U.S. nonfat dry milk shipped overseas under Titles II and III of P.L. 480 totaled more than 516 million pounds. About 40 million went for Title II food grants to disaster areas and for economic development assistance. The rest moved under Title III through donation programs carried on by voluntary agencies such as CARE and the various church-sponsored relief services. Biggest recipients in 1964 were Brazil, with 66 million pounds, and India, with 63 million.

The new program for donations of fortified nonfat represents a large-scale weapon in what President Johnson has called "the world attack on hunger and malnutrition." As the President pointed out in his March 31 report to Congress on P.L. 480 activities, food deficiencies have their most serious effect on infants, preschoolers, and to a less degree, school-age children. In some developing countries, he said, up to 70 percent of the preschoolers are undernourished or malnourished.

Especially serious for children, USDA nutrition experts say, are deficiencies in A and D vitamins.

Vitamin A is essential for growth and development, for light and dark vision, and for maintenance of tissues which are the first defense against infection; but traditional diets in many of the less developed countries do not supply enough. The importance of yellow and green leafy vegetables and yellow fruits is not recognized, animal foods like liver, butterfat, cheese, and eggs are too expensive.

Vitamin D is necessary in the use of minerals for bone growth; without it, rickets occur. But children in cities, cut off from the sunlight which helps supply this vitamin, are generally also not able to get foods rich in it, like salt-water fish, liver, and egg yolk.

Addition of vitamins A and D to non-fat dry milk is considered a practical way to repair the serious physical problems that can arise from shortages of all these vitamin-rich foods.

U.S. Dark Northern Spring Wheat Arrives in Japan for Tests

Now undergoing extensive tests in Japan is this 1,200-ton trial shipment of U.S. Dark Northern Spring wheat which arrived in Tokyo in April. On hand when the ship arrived were (l-r) U.S. Agricultural Attaché Joseph Dodson, Wheat Associates Director James Hutchinson, and Japanese Grain Import Section Chief Taketo Nikai. Successful results could lead to significant imports of DNS.

Inspecting the 72 Simmenthal cattle on the feeding test conducted at Jegenstorf, Switzerland, were: (r-l) U.S. Ambassador True Davis; Dr. B. Rufenacht, president, Swiss Cooperative for Provision of Slaughter Animals and Meat; Print Hudson, U.S. Agricultural Attaché and his assistant Albert Eberhard, agriculturist.

First U.S. Feeding Trial Ends in Switzerland As Swiss Agree To Analyze U.S. Spring Wheats

U.S. grain promotion in Switzerland was highlighted recently by the completion of the first U.S. feed demonstration in the country and agreement by the Swiss Federal Cereals Administration to run milling and baking tests on samples of U.S. Northern Spring wheat arriving at north European ports and to make the results available to Swiss users. Swiss testing is expected to make more of an impression on local importers than do tests performed in the United States.

The feed demonstration was aimed at developing rations for semi-intensive beef production under Swiss conditions. Beginning July 1964, 72 Simmenthal cattle were fed varying amounts of grain concentrates and silage, a plentiful feedstuff in Switzerland. Ten months later the animals were slaughtered, the meat tested, and results distributed to members of the country's livestock and feed industries.

To mark successful completion of the test, the U.S. Agricultural Attaché and the U.S. Feed Grains Council held receptions for representatives of the Swiss Ministry of Agriculture, feed grain importers, cooperatives, and experiment stations—at which time plans were made for another demonstration to follow at a later date.

While not a major buyer of U.S. feed grains, with imports of slightly over 100,000 tons last year, Switzerland's growing demand for meat products—but limited potential for expanding local output of feed grains—makes the climate favorable for U.S. promotion.

Arrangements whereby the Swiss will make their own analyses of U.S. Northern Spring wheat also grew out of special meetings of Great Plains Wheat, U.S. Government officials, and Swiss wheat users.

Once a major supplier of the Swiss market for spring wheats, the United States today has less than 20 percent of the country's 250,000-ton import business, and most of the U.S. wheat to Switzerland is durum rather than spring. The changeover from U.S. spring wheats to the Canadian Manitobas that now dominate the market is traceable to a few U.S. shipments in the early 1950's that failed to meet Swiss standards for quality and baking performance.

At recent meetings, the Swiss were told of revisions in U.S. wheat standards and the new USDA policy that insures a permanent basis for the competitive pricing of U.S. wheat.

Cereal Technicians From U.S. Go to Japan for Durum Test

Two leading U.S. cereal technicians will arrive in Tokyo this week to assist the Japanese Food Agency in milling and baking tests on a 770-ton trial shipment of U.S. No. 2 Hard Amber Durum wheat brought in last month. Canadian durum will also undergo Food Agency analysis.

The technicians, whose trip is being sponsored by Wheat Associates and FAS, are Dr. Kenneth A. Gilles, chairman of the Department of Cereal Technology at North Dakota State University, and Roy Wentzel, vice president of the Milling Division of Doughboy Industries, Wisconsin.

Purpose of the tests is to determine acceptability of U.S. durum for manufacture of Japanese pasta products that up till now have been made with imported flour (semolina).

If the tests are successful, it is expected that the first sizable shipments of U.S. durum to Japan will begin moving sometime this fall. U.S. durum would have a ready market in Japan, whose annual production of macaroni and spaghetti has nearly doubled in the last 3 years to 50,000 metric tons.

The Food Agency is also running tests on a trial shipment of 1,200 tons of U.S. No. 2 Dark Northern Spring imported in April (see opposite page), and on May 26 purchased an additional 27,000 tons.

In still other steps to introduce U.S. spring and durum wheats in Japan, three U.S. railroads last month applied to the Interstate Commerce Commission for reduced freight rates on wheats moving to the west coast that would put the wheats in Far Eastern markets at more competitive prices.

U.S. Foods at Luxembourg

Poultry and rice were featured at the U.S. exhibit at the 17th international fair in Luxembourg May 27-June 6. It was the second successive year of U.S. participation in the Luxembourg event, which annually draws tradesmen from all over Europe.

The poultry exhibit included a display and demonstration of the full range of U.S. frozen and canned poultry available for export, with principal emphasis on turkey. Rice cookery was demonstrated, and dishes containing turkey and rice sold.

West Germany Issues Tender for Fresh Apples, Pears

West Germany has announced an import tender for fresh apples and pears from the United States and Canada with the following conditions.

- Applications for licenses without stating quantities or values may be made until the value limit (undisclosed) is reached but not later than December 30, 1965. Licenses issued will be valid through December 31, 1965.
- The imported apples' and/or pears' quality must correspond to the EEC standards. The customs authority is entitled to check merchandise to see if it meets the requirement.
- Embargoes of apples and/or pears of certain quality, groups, varieties, and assortments are possible.
- Four days after the announcement of such an embargo, further imports are permitted only upon presentation of an invoice endorsed by the Foreign Trade Agency, provided that the contract was concluded not later than on the day of publication of such an embargo. Loading aboard ship must be made not later than 7 days after the embargo announcement.
- Country of origin and country of export must be the same.
- Existing plant protection regulations must be observed.

Netherlands Canned Fruit and Juice Prices

Selling prices in the Netherlands (landed, duty paid) of selected canned fruits and juices follow:

Type and quality	Size of can	Price per dozen units: April 1964	Feb. 1965	April 1965	Origin
		U.S. dol.	*U.S. dol.*	*U.S. dol.*	
CANNED FRUIT					
Apricots, halves, choice	15 oz.	1.99	2.06	2.06	Spain
Peaches, halves:					
Choice	2½	(1)	3.85	3.85	U.S.
In syrup	2½	(1)	3.48	3.48	Greece
Sliced, standard	2½	3.85	3.58	3.58	U.S.
Fruit cocktail, choice	2½	(1)	4.71	4.64	U.S.
Do	8 oz.	1.99	1.96	1.92	U.S.
Pineapple, slices:					
Fancy	2½	4.64	(1)	4.87	U.S.
Do	2	3.41	3.41	3.68	U.S.
Choice	2½	4.48	4.71	4.71	U.S.
Do	2	3.28	3.48	3.15	U.S.
Standard	2½	4.04	4.44	4.44	U.S.
Do	2	2.88	2.7b	2.78	U.S.
CANNED JUICE					
Orange, unsweetened	2	2.65	2.65	2.65	U.S.
Do	2	2.12	1.99	1.92	Greece
Do	2	2.22	1.99	1.99	Israel
Pineapple, fancy	2	2.15	2.15	2.15	U.S.

[1] Not quoted.

French Prune Crop To Increase

The 1965 French prune crop has been forecast at 52,500 short tons, fresh basis, or 31 percent above last year's crop of 40,200 tons. If the present forecast materializes, the crop would be slightly greater than the large 1962 production of 51,000 tons.

If the dry-away percentage, losses caused by rain and disease, and fresh usage average near that of the past 3 years, the resultant dried pack would amount to approximately 14,000 tons this year, representing the largest pack in the postwar period. France's dried prune pack in 1962, 1963, and 1964 amounted to 13,200 tons, 8,300 tons, and 10,000 tons respectively.

West Germany Sets Tenders for Canned Asparagus

The Federal Republic of Germany has announced an import tender for canned asparagus, cuts and tips, allowing imports from the United States, Australia, Japan, Canada, and Peru. Applications for import licenses are now being accepted. Licenses will be issued beginning June 5, 1965, for applications not later than 21 days after loading aboard ship.

After the publication of an exhaustion of the value limit, licenses will only be issued for merchandise loaded aboard ship not later than 10 days after publication of such an embargo (excluding the day of publication). Cans containing tips only may not be imported under this tender.

Import licenses will be valid until December 31, 1965. The first day of customs clearance will be July 1, 1965.

Australia's Dried Vine Fruit Pack Smaller

The Australian Dried Fruits Control Board's latest estimate of the 1965 dried vine fruit pack is 111,100 short tons, roughly 5,100 tons below 1964's, but 22,100 tons above the 1959-63 average.

The sultana pack is now estimated at 87,700 tons, which is well above average though lower than the record of 1964 pack of 94,700 tons. More than 60 percent of the 1965 pack is 5 Crown grade, while 27 percent is 4 Crown, 11 percent 3 Crown, and the remainder 2 and 6 Crown. The most recent estimates for currant and raisin (Lexias) output, at 13,200 and 10,200 tons respectively, are higher than in 1964.

AUSTRALIAN PRODUCTION OF SULTANAS, CURRANTS, AND RAISINS

Kind	Average 1959-63	Annual 1964	Annual 1965
	Short tons	*Short tons*	*Short tons*
Sultanas	70,000	94,700	87,700
Currants	10,400	12,600	13,200
Raisins (Lexias)	8,600	8,900	10,200
Total	89,000	116,200	111,100

AUSTRALIAN ALLOCATION OF SULTANAS, CURRANTS, AND RAISINS IN 1965

Country	Currants	Sultanas	Raisins	Total
	Short tons	*Short tons*	*Short tons*	*Short tons*
Required for Australia	5,000	16,800	4,500	26,300
Reserve	300	9,300	1,800	11,400
Canada	2,500	17,900	1,100	21,500
New Zealand	900	5,100	900	6,900
Japan	100	2,200	200	2,500
Other markets	1,100	2,800	---	3,900
Continent and Ireland	600	15,700	---	16,300
United Kingdom	2,500	17,900	1,700	22,100
South Africa	200	---	---	200
Total	13,200	87,700	10,200	111,100

Australian dried fruit exports are expected to reach 73,400 tons—approximately 12,500 tons below the 1964 figure of 85,900 tons. The United Kingdom, still Australia's largest export market for dried fruit, has been allocated 22,100 tons of the 1965 crop. Canada has been allocated 21,500 tons of the present pack; other large markets are continental Europe and Ireland, 16,300 tons; New Zealand, 6,900; and Japan, 2,500.

Reportedly, the Dried Fruits Board may not authorize the export of currants below 4 Crown grade and sultanas below 5 Crown grade to any f.o.b. markets, except 3 Crown currants for South Africa. Exporters can ship 3 Crown currants to continental Europe and Ireland on a forward selling minimum c.i.f. basis. At present, 5 percent of the 4 Crown grade sultana production can be exported on an optional bill of lading to the United Kingdom, continental Europe and Ireland.

Effective June 30, 1965, the Australian Dried Fruits Export Control Board will increase the minimum prices for dried fruit sold to Canada and New Zealand by the following amounts:

Currants	$10.00 per short ton
Sultanas	$10.00 per short ton
Seeded Raisin Bulk	$12.00 per short ton
Cartons 12 oz.	$ .035 per dozen
Cartons 1 lb.	$ .07 per dozen

Previous to the above-mentioned increases, the 1965 sultana minimum export prices f.o.b. Australia (for New Zealand, f.o.b. Melbourne) were:

Country or continent of destination	Grade	
	5 Crown	6 Crown
	Dol. per short ton	*Dol. per short ton*
New Zealand	[1]315.00	320.00
Eastern Canada and Newfoundland	312.50	317.50
Western Canada and Prairie Provinces	307.50	312.50

[1]For 5 Crown Small grade, $5 extra.

Mexican Cotton Acreage Increased in 1965

With plantings nearing completion in most regions, the total area devoted to cotton in Mexico in 1965 is currently estimated at about 2,060,000 acres, about 6 percent above the 1964-65 harvested area of 1,935,000 acres. Area planted in the Matamoros region this year is placed at 160,000 acres, 23 percent below 1964-65 acreaage of 208,000 and only one-third of the area planted in 1963-64. Farmers in this region are shifting to corn and sorghum, primarily because of poor cotton yields.

On the other hand, planted area in the Altamira district may reach 500,000 acres, compared with 348,000 last year and 198,000 in 1963-64. Acreage in the three principal cotton-growing districts of Mexico, the West Coast, Mexicali, and Laguna, is expected to be about the same as in 1964-65; however, it is anticipated that planted area in Juarez and Delicias will increase from last year's sharply reduced level.

Mexico exported 1,226,000 bales of cotton (480 lb. net) in the first 7 months, August-February, of the current season. This is 5 percent above the 1,168,000 bales shipped in the same months last season but 20 percent smaller than the 1,545,000 bales exported in August-February of 1962-63.

Quantities exported directly to major destinations during the first 7 months of 1964-65 (comparable 1963-64 figures in parentheses), and in 1,000 bales, were Japan 545 (467), Taiwan 63 (13), Chile 53 (8), West Germany 39 (51), France 37 (40), Mainland China 18 (11), Italy 18 (35), United Kingdom 11 (14), Belgium 11 (6), the Philippines 8 (11), the Netherlands 6 (4), and Australia 5 (2).

In addition to direct shipments, sizable quantities of Mexican cotton moved through U.S. ports for transshipment to foreign destinations. Exports to the United States, mostly for transshipment, amounted to 392,000 bales in August-February of this season.

Total exports this season probably will be about 200,000 to 250,000 bales above the 1963-64 volume of 1,426,000 bales.

Cotton consumption this season is not expected to differ much from the 1963-64 offtake of 575,000 bales.

With cotton production in the 1964-65 season in excess of estimated consumption and exports, stocks could rise to 400,000 bales or more by July 31.

West German Cotton Mill Activity Off

Activity in the West German cotton textile industry has slowed in recent months. Spinners are reported to have covered most of their requirements through June. Despite this fact, retail sales of cotton textiles of all types have been well maintained.

Significant in the West German textile situation are an impressive growth in imports of cotton yarns and fabrics, mainly from France, Belgium, the Netherlands, and Italy, and a decline in exports of these items. Production of man-made fibers on cotton systems has continued to increase while cotton yarn production in recent months has been fairly constant. Labor shortages in West Germany have forced some mills to restrict operation.

Total cotton imports for the full August-July 1964-65 season are currently estimated at 1,300,000 bales, 4 percent below the 1,450,000 imported a year ago.

In August-January, 180,000 bales, or 29 percent of the total imports of 661,000 bales, were imported from the United States. This compares with 194,000 bales and 28 percent of total imports in the comparable 1963-64 period. Other major suppliers during August-January 1964-65 (comparable 1963-64 figures in parentheses), and in 1,000 bales, were Brazil 135 (117), Turkey 65 (48), Sudan 49 (67), the USSR 41 (45), Peru 40 (57), British East Africa 32 (26), Egypt 26 (32), Mexico 23 (51), Syria 17 (2), and Nicaragua 12 (7).

Cotton consumption in West Germany in August-January totaled 627,000 bales, 3 percent below that in the comparable period a year ago. Prospects are that total consumption will reach about 1,250,000 bales for the full season, compared with 1,310,000 a year ago. Mill stocks of yarn and fabric are relatively low, and latest reports indicate unfilled yarn orders represent over 6 months' production calculated at current consumption rates. However, the value of new orders received by the weavers during November-January was 6 percent below a year earlier.

A sizable buildup in raw cotton stocks occurred during August-January. Stocks on January 31 were estimated at around 420,000 bales, 16 percent above beginning stocks of 363,000 bales on August 1, 1964. The increase was due mainly to unusually large purchases of U.S. cotton prior to the dockworkers' strike.

Prices for U.S. cotton on the Bremen market have been stable in recent months at levels slightly above those pre-

vailing last November. Prices for competing growths, notably Central American, South Brazilian, and Russian, have been following a moderate downward trend. U.S. Strict Middling 1-1/16 inches cotton was quoted at an average price of 29.45 cents a pound, c.i.f. Bremen, in April, compared with 29.28 cents last November.

Uruguayan Oilseed Output Again Declines

Uruguay's 1965 oilseed production is expected to decline to 111,000 short tons—about one-fourth below that of a year ago and only about 55 percent as much as the volume produced in both 1962 and 1963.

All of the decline is in sunflowerseed and peanut production, area of which was reduced sharply by a serious drought early this year. The flaxseed crop, harvested during December-February 1964-65, increased by about one-sixth, reflecting increased seedings.

The 1965 outturn of both sunflowerseed and peanut oils and cakes and meals will be down significantly as a result of reduced domestic availabilities of seed for crushing. However, increased crushings of flaxseed are expected to result in a sharp rise in the outturn of linseed oil and meal. Exports of vegetable oils and cakes and meals in 1965 probably will be small and consist principally of linseed oil and meal.

Total vegetable oil imports in 1965 are expected to gain significantly, possibly exceeding 15,000 short tons compared with 4,129 in 1964 and 1,270 in 1963. This expected increase reflects the sharp decline in domestic sunflowerseed production.

URUGUAY'S PRODUCTION AND EXPORTS OF OILSEEDS, VEGETABLE OILS, CAKES AND MEALS

Item	Production[1]			Exports	
	1963	1964	1965[2]	1963	1964
	1,000 short tons	*1,000 short tons*	*1,000 short tons*	*1,000 short tons*	*1,000 short tons*
Oilseeds:					
Peanut	7.8	7.7	3.0	---	---
Sunflowerseed	96.1	69.9	28.5	---	---
Flaxseed	93.1	68.4	79.5	---	---
Total	197.0	146.0	111.0	---	---
Vegetable oils:					
Peanut	2.2	2.2	.6	1.0	---
Sunflowerseed	21.8	15.8	6.3	3.0	0.4
Linseed	35.3	16.8	26.7	36.6	9.8
Total	59.3	34.8	33.6	40.6	10.2
Cakes and meals:					
Peanut	2.7	2.6	.7	1.6	.9
Sunflower	31.3	22.6	9.0	25.5	15.6
Linseed	47.0	25.5	42.5	47.8	12.0
Total	81.0	50.7	52.2	74.9	28.5

[1] Production refers to crop harvested during February-May of the year indicated, except for flaxseed which is harvested principally during November-December of the preceding year. [2] Forecast.

Tunisian Vegetable Oil Situation

Edible olive oil production in 1964-65 by Tunisia—the world's second major exporter of olive oil—is now estimated at 95,000 metric tons, or somewhat above the 89,000 tons produced in 1963-64.

Total supplies of vegetable oil, largely olive oil, are significantly above those of last year, reflecting larger carryin stocks as well as estimates of increased seed oil imports. Seed oil imports, virtually all as soybean oil from the United States, have been blended with olive oil in order to supplement domestic availabilities with a low-priced oil for local use. The proportions of the blend have varied widely from year to year owing to changes in relative prices and availabilities of the two oils.

Olive oil exports in 1964-65 are expected to approximate 50,000 metric tons. However, to offset exports exceeding 40,000 metric tons, purchases of 10,000 tons of soybean oil are required under the Public Law 480 Title I agreement. Further, this agreement specifies that at least one-half of the offset purchases must be from the United States. Thus, regardless of the quantity exported, ending stocks on October 31, 1965, will be roughly 56,000 tons. This abnormally large volume resulted in part from this year's larger outturn and in itself approximates Tunisia's domestic needs for 1965-66.

TUNISIA ESTIMATED EDIBLE VEGETABLE OIL SUPPLY AND DISTRIBUTION

Item	1962-63	1963-64	1964-65
SUPPLY	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*
Stocks, November 1:			
Olive oil	5.0	5.0	25.0
Sulfur[1]	---	.5	---
Soybean oil	---	3.8	3.3
Total	5.0	9.3	28.3
Production:			
Olive oil	45.0	89.0	95.0
Sulfur[1]	3.6	5.6	5.5
Total	48.6	94.6	100.5
Imports:			
Soybean oil	33.1	19.5	[2]30.5
Total supply	86.7	123.4	159.3
DISTRIBUTION			
Exports:			
Olive oil	29.5	43.9	50.0
Consumption:			
As blended oil:			
Olive oil	10.9	15.1	10.9
Sulfur[1]	3.1	6.1	5.5
Soybean oil	29.3	20.0	26.8
Other:			
Olive oil	4.6	10.0	10.0
Total	47.9	51.2	53.2
Stocks, October 31:			
Olive oil	5.0	25.0	49.1
Sulfur[1]	.5	---	---
Soybean oil	3.8	3.3	7.0
Total	9.3	28.3	56.1
Total distribution	86.7	123.4	159.3

[1] Refined for food use. [2] Includes 18,000 tons P.L. 480 Title I; 2,500 tons commercial purchases; and 10,000 tons offset requirement for exports above 40,000 tons.

Office de l'Huile, Tunis.

Danish Oilseed, Oil, and Meal Situation

Denmark imported slightly larger quantities of oilseeds in 1964 than in 1963 even though there was a significant increase in domestic production of oilseeds—largely rapeseed. Soybeans from the United States accounted for more more than three-fourths of total oilseed imports.

Despite the slight increase in aggregate supplies of oilseeds, crushings were somewhat smaller than in 1963. The reduction reflected some gain in rapeseed exports, as well as a slight increase in carryout stocks on December 31, 1964.

Production of unrefined edible vegetable oils in 1964 declined to 109,200 short tons, slightly below the 113,800 tons produced in 1963. The decline was primarily reflected in a reduction of exports, to 42,756 tons from 46,219 in 1963. Availabilities for refining and hardening, at about

73,400 tons, remained virtually unchanged from 1963. Utilization by the Danish margarine industry is estimated at about 40,000 tons.

DENMARK'S SUPPLY AND DISTRIBUTION OF OILSEEDS

Item	1961	1962	1963	1964[1]
	1,000 short tons	*1,000 short tons*	*1,000 short tons*	*1,000 short tons*
SUPPLY				
Stocks, January 1	30.1	46.1	89.8	63.5
Production:				
Rapeseed	29.8	57.4	29.1	56.1
Mustardseed	18.3	17.7	7.5	4.8
Flaxseed	1.8	.7	.5	.4
Others	.3	.1	---	---
Total	50.2	75.9	37.1	61.3
Imports:				
Peanuts	3.1	4.4	4.5	3.9
Soybeans	332.8	412.5	408.3	410.8
Sesameseed	.9	2.2	1.8	2.1
Copra	46.7	39.9	42.2	34.1
Palm kernels	12.8	17.2	18.0	21.7
Flaxseed	4.5	3.7	4.7	7.6
Others	5.1	14.4	14.7	19.7
Total	405.9	494.3	494.2	499.9
Total supply	486.2	616.3	621.1	624.7
DISTRIBUTION				
Exports:				
Rapeseed	30.7	27.7	47.7	53.6
Mustardseed	18.5	10.0	8.7	8.6
Others	.5	.5	.5	.4
Total	49.8	38.2	56.9	62.6
Human consumption	1.5	1.6	1.6	1.6
Crushing	382.4	481.9	493.7	486.2
Feed, seed, and waste	6.5	4.8	5.4	8.2
Stocks, December 31	46.1	89.8	63.5	66.1
Total distribution	486.2	616.3	621.1	624.7

[1] Preliminary.

DENMARK'S SUPPLY AND DISTRIBUTION OF CAKES AND MEALS

Item	1961	1962	1963	1964[1]
	1,000 short tons	*1,000 short tons*	*1,000 short tons*	*1,000 short tons*
SUPPLY				
Stocks, January 1	105.0	90.4	87.2	112.7
Production:				
Soybean cake and meal	258.9	310.2	328.4	340.1
Copra cake and meal	16.2	12.6	15.2	12.2
Palm kernel cake & meal	6.8	8.5	9.4	12.0
Other oilcake and meal	7.4	10.7	9.6	12.6
Fish meal	62.9	102.6	112.9	123.7
Total	352.2	444.6	475.5	500.6
Imports:				
Cottonseed cake & meal	325.1	353.9	398.3	415.7
Peanut cake and meal	62.6	61.1	80.7	115.9
Soybean cake and meal	160.7	178.4	183.0	260.7
Sunflower cake and meal	119.4	102.8	62.3	48.9
Coconut cake and meal	61.2	43.7	58.1	88.0
Other oilcake and meal	49.8	38.1	43.0	49.0
Fish meal	30.5	17.1	13.6	18.3
Total	809.3	795.1	839.0	996.5
Total supply	1,266.5	1,330.1	1,401.7	1,609.8
DISTRIBUTION				
Exports:				
Cottonseed cake & meal	2.4	7.2	8.6	11.5
Soybean cake and meal	71.9	97.1	102.6	115.5
Copra cake and meal	14.1	18.0	13.9	23.4
Palm kernel cake & meal	7.6	10.0	5.5	12.0
Other oilcake & meal	6.1	3.9	9.3	13.7
Fish meal	43.5	62.3	66.2	67.2
Total	145.6	198.5	206.1	243.3
Consumption	1,030.5	1,044.4	1,082.9	1,242.5
Stocks, December 31	90.4	87.2	112.7	124.0
Total distribution	1,266.5	1,330.1	1,401.7	1,609.8

[1] Preliminary.

Although Danish production of cakes and meals from imported oil-bearing materials in 1964 increased by about 25,000 tons from the previous year, imports of cakes and meals, as such, gained by nearly 160,000 tons. Increased imports of soybean cake and meal accounted for about one-half of the gain, and increased imports of peanut and coconut cakes and meals, for most of the remainder.

About three-fourths of the total gain in cake and meal supplies in 1964 was utilized for feed concentrates, reflecting expansion of the broiler and swine industries. Exports, largely as increased soybean and coconut cakes and meals to Sweden, gained substantially. Stocks on December 31, 1964, also were above those of a year earlier, reflecting increased holdings of soybean cake and meal.

British Guiana's Coconut Situation

The number of coconuts produced in British Guiana during 1964 was 45,272,000—a decrease of 627,750 from 1963. The bulk of the edible oil, margarine, shortening, and soap consumed in British Guiana is derived from such production, and many of the coconuts are also consumed directly.

The quantity of copra manufactured in 1964 was 5,804 long tons compared with 5,899 in 1963. The production of copra meal totaled 1,946 tons in 1964 against 1,539 in 1963.

BRITISH GUIANA'S PRODUCTION OF PROCESSED FATS AND OILS PRODUCTS

Item	1963	1964
	Long tons	*Long tons*
Edible oil[1]	2,832	3,598
Margarine	697	795
Shortening	79	78
Soap	1,818	2,214

[1] Conversion factor used was 244 imperial gallons=1 long ton. Barclay's Bank, *Caribbean Bulletin*, April 1965.

U.S. Exports of Soybeans, Edible Oils, Cakes, Meals

March exports of *soybeans* from the United States, at 25.0 million bushels, were over twice the 11.3 million exported in February. Aggregate exports in the first half of the 1964-65 marketing year, at 120.4 million bushels, were 10 percent above those in the comparable period of 1963-64.

Soybean and cottonseed oil exports in March totaled 218.1 million pounds, up by 97.2 million from the previous month. Total edible oil exports in the October-March period were 53 percent above those in the same 1963-64 period, with soybean oil exports accounting for about two-thirds of the total. Spain, Pakistan, and Greece continue to be the major destinations for these exports while West Germany remains the major market for U.S. cottonseed oil.

Cake and meal exports in March hit an alltime monthly high of 374,600 short tons—more than doubled those in February and substantially above the previous record of 275,600 tons shipped in December 1964. Aggregate exports of U.S. cake and meal in the first-half of 1964-65 were nearly 90 percent above those in the corresponding period of 1963-64. This marked rise in shipments of meals as such resulted largely from the U.S. dock strike, which cut off supplies of cakes and meals as well as soybeans

for crushing. Thus, with limited availabilities for crushing, foreign importers replenished supplies directly as meal for immediate utilization.

U.S. EXPORTS OF SOYBEANS, EDIBLE OILS, AND OILSEED CAKES AND MEALS

Item and country of destination	March		October-March	
	1964[1]	1965[1]	1963-64[1]	1964-65[1]
SOYBEANS				
Japan ---mil. bu.	4.1	5.7	28.3	25.9
Netherlands ---do---	1.9	4.7	14.2	18.0
Canada ---do---	.1	([2])	11.2	15.2
Germany, West ---do---	3.1	2.8	17.1	13.7
Denmark ---do---	.5	3.0	7.5	8.9
Other ---do---	39	8.8	31.4	38.7
Total ---do---	13.6	25.0	109.7	120.4
Oil equiv. ---mil. bu.	147.0	274.0	1,204.7	1,322.0
Meal equiv. ---1,000 tons	320.4	586.5	2,578.3	2,829.5
EDIBLE OILS				
Soybean:[3]				
Spain ---mil. lb.	---	24.2	---	166.5
Pakistan ---do---	---	17.9	26.5	92.6
Greece ---do---	---	20.1	---	51.4
Argentina ---do---	---	---	([4])	40.1
Iran ---do---	1.9	10.0	23.7	39.1
Turkey ---do---	7.5	---	51.9	33.8
Israel ---do---	---	14.4	5.7	31.2
Morocco ---do---	---	5.3	26.1	28.1
Other ---do---	59.8	54.7	279.2	190.5
Total ---do---	69.2	146.6	413.1	673.3
Foreign donations[5] ---do---	---	5.9	.1	6.7
Total soybean oil do---	69.2	152.5	413.2	680.0
Cottonseed:[3]				
Germany, West ---mil. lb.	13.2	11.1	62.9	104.1
Iran ---do---	2.9	13.5	15.5	38.0
Netherlands ---do---	23.4	4.3	60.2	25.7
United Arab Rep. ---do---	23.1	---	28.4	25.0
Canada ---do---	1.2	3.3	21.0	22.5
Morocco ---do---	---	4.4	6.6	15.4
Venezuela ---do---	1.2	2.8	13.7	12.4
Vietnam ---do---	---	---	.8	8.4
Turkey ---do---	---	---	33.1	8.0
Other ---do---	11.3	10.8	33.1	44.8
Total ---do---	76.3	50.2	275.3	304.3
Foreign donations[5] ---do---	---	15.4	[6] .5	[6][7] 70.3
Total cottonseed oils ---do---	76.3	65.6	275.8	374.6
Total oils ---do---	145.5	218.1	689.0	1,054.6
CAKES AND MEALS				
Soybean:				
France ---1,000 tons	21.3	58.8	125.1	189.0
Netherlands ---do---	2.5	44.5	52.1	166.1
Germany, West ---do---	.8	34.2	40.8	161.5
Canada ---do---	8.7	20.3	89.1	127.0
Belgium ---do---	1.1	25.2	43.0	101.0
Yugoslavia ---do---	31.9	23.2	53.3	96.3
Italy ---do---	.1	44.9	41.2	89.4
Denmark ---do---	1.1	33.3	42.3	85.9
Spain ---do---	5.8	14.1	89.4	47.5
Other ---do---	5.8	58.0	84.0	139.7
Total ---do---	79.1	356.5	660.3	1,203.4
Cottonseed ---do---	4.1	14.2	28.7	77.4
Linseed ---do---	([8])	2.2	15.9	28.7
Total cakes and meals[9] ---do---	83.2	374.6	705.1	1,316.9

[1] Preliminary. [2] Less than 50,000 bushels. [3] Includes Title I, II, III, and IV of P.L. 480, except soybean and cottonseed oils contained in shortening exported under Title II. Excludes estimates of Title II exports of soybean and cottonseed oil not reported by Census. [4] Less than 50,000 pounds. [5] Title III, P.L. 480. [6] Estimated by USDA, includes salad oil and oil in shortening. [7] October-December estimated by USDA. [8] Less than 50 tons. [9] Includes peanut cake and small quantities of other cakes and meals.

Compiled from Census records and USDA estimates.

Note: Countries indicated are ranked according to quantities taken in the current marketing year.

Malay States, Singapore Exports of Copra, Coconut Oil

The Malay States, Singapore was a net importer of copra and coconut oil during the first quarter of 1965, taking 1,990 long tons, oil basis, compared with a net export in January-March 1964 of 635 tons, oil basis.

Coconut oil exports during the January-March 1965 period totaled 4,134 tons. Major destinations were Burma 1,200 tons, Cambodia 594, the UAR 550, the Republic of South Africa 419, North Vietnam 407, and Thailand 297. Exports during January-March 1964 totaled 2,961 tons.

Imports of coconut oil during the same period increased to 1,934 tons from 237, and copra imports, to 6,719 tons from 4,058. Exports of copra fell to 174 tons from 793 during January-March 1964.

Rhodesian Flue-cured Auction Sales

Auction sales of flue-cured tobacco on the Salisbury, Rhodesia, market for the 11th week of sales ending May 19 amounted to 9.7 million pounds and averaged the equivalent of 44.6 U.S. cents per pound.

Cumulative sales through the 11th week totaled 87.5 million pounds at an average of 41.0 cents, compared with 98.2 million pounds at an average of 33.1 cents during the 11th week last year.

Switzerland Produces More Cigarettes

Swiss cigarette output unofficially totaled a record 15.7 billion pieces in 1964—an increase of 2 percent from the 15.3 billion in 1963. Filter-tipped brands represented 83.8 percent of last year's total, compared with 81.3 percent in 1963.

Output of Maryland-type cigarettes in 1964, at 7,001 million pieces, was down 2 percent from the 7,162 million produced in 1963. Maryland cigarettes accounted for 44.7 percent of all cigarettes made in Switzerland last year, compared with 46.8 percent in 1963.

American-blend cigarettes continued to gain in popularity last year, representing 34.1 percent of total output, against 28.8 percent in the previous year. Production of oriental cigarettes continued to drop.

About 21 percent of Switzerland's total cigarette output was exported in 1964.

SWISS CIGARETTE OUTPUT

Type	1963		1964	
	Quantity	Percent of total	Quantity	Percent of total
	Million pieces	*Percent*	*Million pieces*	*Percent*
Maryland	7,162	46.8	7,001	44.7
American blend	4,400	28.8	5,350	34.1
European blend	1,571	10.3	1,556	9.9
Oriental	1,041	6.8	796	5.1
Domestic (dark)	826	5.4	707	4.5
Virginia	299	1.9	260	1.7
Total	15,299	100.0	15,670	100.0

Finnish Tobacco Imports Drop in 1964

Finland's 1964 imports of unmanufactured tobacco totaled 13.4 million pounds, compared with 15.3 million in 1963. The United States supplied 7.7 million or 58

percent of the total; in 1963 it supplied nearly 59 percent.

Other principal sources of Finnish tobacco imports in 1964 included Greece, 1.8 million; Rhodesia, Zambia, and Malawi 1.1 million; Turkey and Indonesia 600,000 each.

Average import prices per pound for tobaccos from major sources of supply in 1964, in terms of U.S. equivalents, were the United States 65 cents; Greece 72; Rhodesia, Zambia, and Malawi 36; Turkey 69; Indonesia 94.

Dominican Republic's Tobacco Exports

The Dominican Republic's exports of unmanufactured tobacco during 1964, totaling 55 million pounds, were exceeded only by the 1946 high of 62.5 million. Larger shipments to the United States and France accounted for most of the increase over 1963's total of 36.9 million pounds.

DOMINICAN REPUBLIC'S EXPORTS OF UNMANUFACTURED TOBACCO

Destination	1962	1963	1964[1]
	1,000 pounds	*1,000 pounds*	*1,000 pounds*
United States[2]	7,056	7,038	22,381
Spain[3]	15,120	10,768	9,712
France	1,728	1,477	4,565
Germany, West	4,847	4,689	4,513
Netherlands	3,391	3,797	4,376
Belgium	3,290	3,951	3,789
Gibraltar	1,464	539	935
Denmark	138	216	323
Portugal	78	450	254
Others	3,087	3,989	4,132
Total	40,199	36,914	54,980

[1] Preliminary; subject to revision. [2] Includes Puerto Rico. [3] Includes the Canary Islands.

Shipments last year to the United States, including Puerto Rico, were 22.4 million pounds, or slightly over three times as large as the 7.0 million pounds in 1963. Exports to France rose to 4.6 million pounds from 1.5 million in the previous year. Shipments to the Netherlands, Gibraltar, and Denmark were also up from 1963. Countries which reduced their takings during 1964 included Spain, West Germany, Belgium, and Portugal.

Argentina's Cigarette Sales Increase

Cigarette sales in Argentina last year totaled 25,071 million pieces—up 5.3 percent from the 23,816 million sold in 1963. Filter-tipped cigarettes represented 36.1 percent of total sales, against 27.0 percent in 1963.

Sales of dark-type cigarettes rose to 12,436 million pieces from 11,951 million in 1963, with filter-tipped brands accounting for 27.7 percent of these sales compared with 21.5 percent in 1963. Total sales of light-type cigarettes also rose, to 12,635 million pieces from 11,865 million. Of the 1964 total, filter-tips represented 44.4 percent, compared with 32.6 percent in 1963.

Norwegians Smoke Fewer Cigarettes

Norway's 1964 sales of factory-made cigarettes totaled 1,280 million pieces—down nearly 9 percent from the 1,403 million in 1963. Sales of cigarette papers for use in hand-rolled cigarettes also dropped, by 9 percent. These declines reflect the concern of Norway's smokers over the smoking vs. health controversy.

Sales of smoking tobacco last year totaled 7.8 million pounds, compared with 7.7 million in 1963. Smoking tobacco is used in both pipes and hand-rolled cigarettes, and sales have been increasing rather steadily in recent years.

NORWAY'S SALES OF TOBACCO PRODUCTS

Product	1962	1963	1964
Cigarettes			
Million pieces	1,464	1,403	1,280
Cigarette paper			
Million sheets	2,519	2,758	2,513
Smoking tobacco			
1,000 pounds	7,729	7,683	7,804
Cigars			
Million pieces	37	41	59
Chewing tobacco			
1,000 pounds	351	337	315
Snuff			
1,000 pounds	1,008	955	959

Norwegian Tobacco Manufacturers' Association.

Canada's Winter Wheat Crop Reduced by Winterkill

The 1965 winter wheat crop of Ontario—Canada's principal winter wheat area—has suffered the most severe weather damage in 18 years. According to an official survey of May 1, wheat on some 94,000 acres was winterkilled.

This is 20.6 percent of the 456,000 acres planted in winter wheat for harvest in 1965, as estimated March 1. The year before, winterkill amounted to only 5.2 percent of the planted acreage. This season no more than an estimated 362,000 acres survived for harvest. Ontario's winter wheat acreages for harvest in 1963 and 1964 were 442,000 and 455,000 acres, respectively.

This season's losses resulted from lack of snow, followed by a cold, wet spring. Canada's 1965 crop of soft winter wheat may be reduced by about 4 million bushels to 14 million bushels. Last year's winter wheat harvest—nearly all in Ontario Province—was 18.2 million bushels.

Some farmers, whose wheat fields were not totally destroyed, are planting barley this spring, and will harvest the two crops as one. Other producers have plowed up the wheat and are planting such crops as corn, soybeans, and oats.

U.S. Meat and Livestock Exports Below Last Year

U.S. exports of most livestock and meat products in January-March 1965 were below those in the comparable 1964 period. January-February exports were down sharply because of the U.S. dockworkers' strike.

Exports of lard were down significantly in both March and January-March reflecting smaller shipments to the United Kingdom. Tallow and grease shipments were about 20 percent less than a year earlier because of reduced shipments to several major markets.

Increased shipments of beef this year are due to large deliveries of frozen beef to the UAR and Israel under P.L. 480. The sharp reduction in pork exports resulted from smaller sales to Canada and West European countries.

Variety meats exports for the quarter were down only 7 percent from a year earlier; March exports staged a comeback from the low levels of the previous 2 months, and the export outlook appears very favorable. The largest export markets are in Western Europe.

Exports of hog casings are lagging behind last year's level reflecting increased supplies in Western Europe. Ex-

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ports of other types of casings, mainly cattle, continue to be about the same. Mohair shipments continue low, but in March they were slightly above the year-earlier level.

Cattle hide exports in January-March reached 2.7 million pieces, up 9 percent from the large sales of a year earlier. The gain resulted from increased sales to Mexico, the Netherlands, the United Kingdom and several other markets. Exports of calf skins were down sharply, reflecting higher U.S. prices; sheep and lamb skins are also down, reflecting smaller U.S. production.

U.S. EXPORTS OF LIVESTOCK PRODUCTS
(Product weight basis)

Commodity	March		January-March	
	1964	1965[1]	1964	1965[1]
	1000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*
Animal fats:				
Lard	51,635	18,384	166,656	71,133
Tallow and greases:				
Inedible	232,288	170,767	563,713	445,335
Edible	654	4,091	2,791	5,413
Red meats:				
Beef and veal	2,461	7,269	7,986	16,068
Pork	13,004	6,725	54,431	12,908
Lamb and mutton	106	82	373	262
Sausages:				
Except canned	204	120	544	398
Canned	67	158	246	336
Other canned meats	304	863	603	1,922
Meat specialties:				
Frozen	---	120	---	247
Canned	---	104	---	257
Total red meats	16,146	15,441	64,183	32,398
Variety meats	17,598	31,899	51,539	47,828
Sausage casings:				
Hog	1,213	1,050	3,161	1,645
Other natural	233	545	830	836
Mohair	548	582	961	915
	1,000 pieces	*1,000 pieces*	*1,000 pieces*	*1,000 pieces*
Hides and skins:				
Cattle	778	1,214	2,469	2,703
Calf	230	224	669	438
Kip	15	29	64	75
Sheep and lamb	302	362	838	678
Horse	---	3	---	8
Goat and kid	---	24	---	59
	Number	*Number*	*Number*	*Number*
Live cattle	1,954	4,133	6,528	10,985

[1] Because of new classifications 1965 data are not entirely comparable with earlier years.

WORLD CROPS AND MARKETS INDEX

Cotton

11 Mexican Cotton Acreage Increased in 1965
11 West German Cotton Mill Activity Off

Fats, Oilseeds, and Oils

12 Uruguayan Oilseed Output Again Declines
12 Tunisian Vegetable Oil Situation
12 Danish Oilseed, Oil, and Meal Situation
13 British Guiana's Coconut Situation
13 U.S. Exports of Soybeans, Edible Oils, Cakes, Meals
14 Malay States, Singapore Exports of Copra, Coconut Oil

Fruits, Vegetables, and Nuts

10 West Germany Issues Tender for Fresh Apples, Pears
10 Netherlands Canned Fruit and Juice Prices
10 French Prune Crop To Increase
10 West Germany Sets Tenders for Canned Asparagus
10 Australia's Dried Vine Fruit Pack Smaller

Grains, Feeds, Pulses, and Seeds

15 Canada's Winter Wheat Crop Reduced by Winterkill

Livestock and Meat Products

15 U.S. Meat and Livestock Exports Below Last Year

Tobacco

14 Rhodesian Flue-cured Auction Sales
14 Switzerland Produces More Cigarettes
14 Finnish Tobacco Imports Drop in 1964
15 Dominican Republic's Tobacco Exports
15 Argentina's Cigarette Sales Increase
15 Norwegians Smoke Fewer Cigarettes

CORRECTION: In the May 31 issue of FOREIGN AGRICULTURE, Page 10, first paragraph in the article on worldwide cotton promotion, read "10 million-*bale* cotton exports" for $10-million cotton exports." The value of this trade is approximately $1.3 billion.